

77 02198

OFFICIAL STATEMENT



City of DEL MAR
San Diego County, California

1977 Open Space Bonds, Series A
\$850,000

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STUDIES LIBRARY

MAR 29 1977

UNIVERSITY OF CALIFORNIA

Principal Amount
(General Obligations)





1977 Open Space Bonds, Series A
\$850,000

[Hornblower ...]
Public debts More Del Mar
Invest Publi. Secur.
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" utilize " "



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Cover photo credit Del Mar News Press.

CITY OF DEL MAR

San Diego County, California

CITY COUNCIL

Nancy Hoover, *Mayor*

John H. Weare, *Mayor pro tem*

Richard G. Rypinski

Hervey L. Sweetwood

Al Tarkington

THE CITY OF DEL MAR

March 21, 1977

TO WHOM IT MAY CONCERN:

The purpose of this bond prospectus is to furnish information regarding \$850,000 par value City of Del Mar 1977 Open Space Bonds (general obligations).

This prospectus was prepared by Hornblower & Weeks-Hemphill, Noyes Incorporated as financing consultants to and under the direction of the city. Orrick, Herrington, Rowley & Sutcliffe serve as bond counsel to the city. Bond counsel's and financing consultant's fees for services are contingent upon the sale and successful delivery of bonds.

The information herein has been reviewed by appropriate officials of the city as to accuracy and completeness (see item 2 under "Closing Papers" on Page 4 of this prospectus) and the city has adopted this prospectus as its Official Statement in connection with the bonds herein being offered pursuant to Resolution No. 77-8.

All of the following summaries of the Resolution of Issuance and other documents are made subject to the provisions of such documents respectively, and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the city for further information in connection therewith. This Official Statement does not constitute a contract with purchasers of bonds. Any statements herein involving matters of opinion or estimates, whether or not so designated, are to be construed as provisional rather than factual.

Nancy Hoover

Mayor, City of Del Mar

CITY STAFF

J. Wayne Dernetz, *City Manager*

D. Dwight Worden, *City Attorney*

Gloria E. Curry, *City Treasurer and Finance Officer*

Terri Bianco, *City Clerk*

SPECIAL SERVICES

Certified Public Accountant

Carroll & Brantley, Associates, *Costa Mesa*

Bond Counsel

Orrick, Herrington, Rowley & Sutcliffe, *San Francisco*

Financial Consultant

Hornblower & Weeks-Hemphill, Noyes Incorporated,
San Francisco

Paying Agents

California First Bank, *San Diego*

THE DATE OF THIS OFFICIAL STATEMENT IS
MARCH 21, 1977.



INTRODUCTION

The \$850,000 principal amount of City of Del Mar 1977 Open Space Bonds represents the first sale of a \$1,500,000 general obligation bond authorization approved by the voters of the City of Del Mar on June 8, 1976 by a 68% majority. The Series A bonds are being sold to finance the acquisition of permanent open space areas within and adjacent to the city. The open space areas to be acquired are identified in the city's adopted general plan.

The bonds are general obligations of the City of Del Mar and bond principal and interest are secured by and payable from ad valorem taxes on all property subject to taxation by the city, without limitation as to rate or amount (except for certain personal property which is taxable at limited rates). Upon sale of the bonds, the city's direct debt will be 3.22% of the city's 1976/77 assessed valuation of \$40,569,531.

The city is primarily a residential community with a population of 4,880. Del Mar is located on the Pacific coastline, 20 miles north of central San Diego and 105 miles south of Los Angeles. Although only 1.7 square miles in size, the city has 2½ miles of oceanfront property, and maintains and operates two miles of public beach.

The Del Mar Racetrack is located in the northern portion of the city, and hosts a 43-day racing season which begins in late July and attracts over 640,000 patrons annually. The adjoining County Fairgrounds, located partially within the city, features a number of annual events, including the Southern California Exposition held in late June.

As a matter of policy, the city council intends to apply proceeds from a portion of the admissions tax from the

TABLE 1
SUMMARY OF ESSENTIAL FACTS

The Bonds	
Principal amount	\$850,000
Maturities	1978-2002
Denominations	\$5,000
Average life	16.15 years
Bond years	13,725
Maturities callable 1989 or after	1990-2002
Maximum coupon rate	8%
Maximum coupon spread	2%
Maximum estimated annual debt service	\$72,326
Financial and Economic Data	
1976/77 city total assessed valuation	\$40,569,531
City tax rate	\$1.07
Ratio direct debt to total assessed valuation	3.22%
Ratio direct and overlapping debt to total assessed valuation	9.90%
Per capita total assessed valuation	\$8,313
City estimated 1976 population	4,880
City 1975 median family income	\$14,607

racetrack and fairgrounds complex to debt service on the Open Space Bonds. Income derived from the admissions tax is expected to exceed \$250,000 annually.

Statistics provided from the 1975 Special Census indicate that the Del Mar median household income of \$14,607 exceeds the county level by over 30%. The census figures also show Del Mar residents reflect a high level of educational attainment with nearly 60% possessing college degrees.

Del Mar is within convenient commute distance to employment centers throughout San Diego County. Three industrial parks, providing an employment base for over 8,000 persons, are located within five miles of the city. The county's largest industrial area, Kearny Mesa, with 26,000 employees, is located ten miles southeast of Del Mar.

The city is served by Amtrak rail and Greyhound bus lines, is 18 miles north of the San Diego International Airport, and is less than a mile west of Interstate 5, the major north-south artery of California.



The Del Mar Racetrack hosts a 43-day racing season beginning in late July that attracts 640,000 patrons annually. The city receives \$.40 tax per admission of which \$.16 is dedicated to the city's Open Space Fund. (Photo credit Del Mar News Press.)

THE BONDS

Authority for Issuance

The \$850,000 principal amount of the City of Del Mar 1977 Open Space Bonds, Series A, now being offered are to be issued pursuant to Resolution No. 77-8 of the City Council of the City of Del Mar, adopted March 21, 1977. The Series A Bonds represent the first series of an aggregate principal amount of \$1,500,000 authorized at an election held in the city on June 8, 1976, by a vote of 1,608 in favor (68%) to 748 opposed. The city does not anticipate that any additional bonds of the remaining authorization will be offered for sale prior to January 1, 1978.

Description of the Bonds

The Series A Bonds consist of \$850,000 aggregate principal amount, numbered A1 through A170 inclusive, dated April 1, 1977, each bond in the denomination of \$5,000. Interest for the first year is payable on April 1, 1978 and semiannually thereafter each October 1 and April 1. The bonds are to mature and become payable on April 1 in the amounts and years specified in the adjoining table.

Both principal and interest are payable at the principal office of the California First Bank in San Diego, California, paying agent for the city.

Redemption Provisions

Bonds maturing on or before April 1, 1989, a principal amount of \$250,000, are not subject to call or redemption prior to their stated maturity dates.

Bonds maturing on or after April 1, 1990, a principal amount of \$600,000, are subject to call and redemption, at the option of the city, as a whole or in part, in inverse order of maturity and by lot within a maturity, on any interest payment date on or after April 1, 1989, upon payment of the principal amount, accrued interest to the date of redemption, and a premium equal to $\frac{1}{4}$ of 1% of the principal amount redeemed for each full year and any remaining fraction of a year between the date of redemption and the maturity date of the bonds.

Registration

The bonds will be issued as coupon bonds and will be registrable as to principal only or as to both principal and interest, with the privilege of discharge from registration and re-registration.

Legal Opinion

All proceedings in connection with the issuance of the bonds are subject to the approval of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, bond counsel for the City of Del Mar. The unqualified opinion of Orrick, Herrington, Rowley & Sutcliffe, attesting to the validity of the bonds will be supplied free of charge to the original purchasers of the bonds. A copy of the legal opinion will be printed on each bond without charge to the successful bidder.

MATURITY SCHEDULE

<i>Maturity Date April 1</i>	<i>Principal Maturing</i>
1978	\$15,000
1979	15,000
1980	15,000
1981	20,000
1982	20,000
1983	20,000
1984	20,000
1985	20,000
1986	25,000
1987	25,000
1988	25,000
1989	30,000
1990	30,000
1991	35,000
1992	35,000
1993	35,000
1994	40,000
1995	40,000
1996	45,000
1997	50,000
1998	50,000
1999	55,000
2000	60,000
2001	60,000
2002	65,000

Security

The City of Del Mar 1977 Open Space Bonds, Series A, are general obligations of the City of Del Mar, and the city has the power and is obligated to levy annual ad valorem taxes for payment of principal and interest on the bonds on all property within the city subject to taxation by the city (except certain personal property which is taxable at limited rates) without limitation as to rate or amount.

As a matter of policy, the city intends to apply a portion of the admissions tax from the fairgrounds and racetrack complex to debt service on the bonds. The income from this source is estimated at \$250,000 annually.

Tax Exempt Status

In the opinion of bond counsel, interest on the bonds is exempt from income taxes of the United States of America under present federal income tax laws and such interest is also exempt from personal income taxes of the State of California under present state income tax laws.

Legality for Investment

The bonds are legal investments in California for commercial and savings banks and as such are legal investments for all trust funds, and for funds of insurance companies and trust companies. The bonds are eligible as security for deposits of public moneys in California.

Closing Papers

Each proposal for bids on the bonds will be understood to be conditioned upon the city furnishing to the purchaser, without charge, concurrently with payment for and delivery of the bonds, the following closing papers, each dated the date of such delivery:

1. Legal opinion — The unqualified opinion of Orrick, Herrington, Rowley & Sutcliffe, Bond Counsel, approving the validity of the bonds and stating that interest on the bonds is exempt from income taxes of the United States of America under present federal income tax laws, and that such interest is also exempt from personal income taxes of the State of California under present state income tax laws.
2. At the time of payment for and delivery of the bonds, the city will furnish the successful bidder a certificate, signed by appropriate officers of the city acting in their official capacity, to the effect that to the best of their knowledge and belief, and after reasonable investigation, (a) neither the Official Statement or any amendment or supplement thereto contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; (b) since the date of the Official Statement no event has occurred which should have been set forth in an amendment or

supplement to the Official Statement which has not been set forth in such an amendment or supplement; nor (c) has there been any material adverse change in the operation or financial affairs of the city since the date of such Official Statement.

3. A certificate of an officer of the city that on the basis of the facts, estimates and circumstances in existence on the date of issue, it is not expected that the proceeds of the bonds will be used in a manner that would cause the bonds to be arbitrage bonds.
4. A certificate signed by an officer of the city that there is no litigation threatened or pending affecting the validity of the bonds.
5. The signature certificates of the officers and representatives of the city, showing that they have signed the bonds, whether by facsimile or manual signature, and that they were respectively duly authorized to execute the same.
6. The receipt of the Treasurer of the city showing that the purchase price of the bonds, including interest accrued to the date of delivery thereof, has been received by the city.

Pending Litigation

The City is defendant in three inverse condemnation actions, asking for a total of \$3,500,000 in damages. In the opinion of the City Attorney and of Special Counsels to the city, the city will prevail in all three actions. There is no other pending litigation in which an unfavorable result would adversely affect the city's financial position.

There is no litigation pending concerning the validity of the bonds, the corporate existence of the city, or the title of the officers thereof to their respective offices, and the city will furnish to the successful bidder a no-litigation certificate certifying to the foregoing as of and at the time of delivery of the bonds.

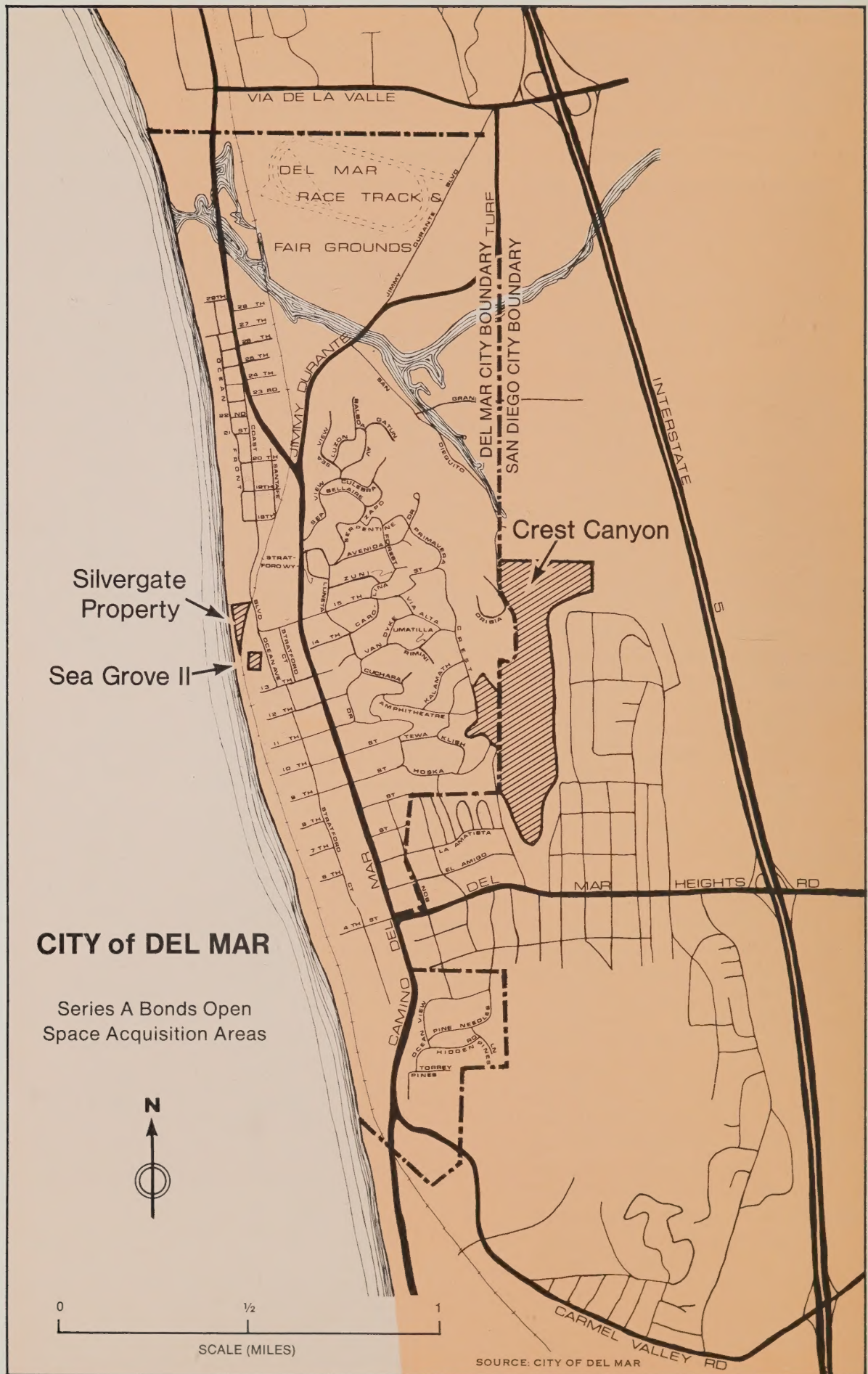
Estimated Debt Service

Table 2 shows estimated annual debt service on the City of Del Mar 1977 Open Space Bonds, Series A.

TABLE 2
ESTIMATED ANNUAL BOND SERVICE
CITY OF DEL MAR 1977 OPEN SPACE BONDS, SERIES A
\$850,000 PRINCIPAL AMOUNT

Year	Principal Outstanding Beginning of Year	Interest at 6.5%		Principal Maturing April 1	Total Estimated Bond Service
		October 1	April 1		
1977/78	\$850,000	\$ —	\$ 55,250	\$ 15,000	\$ 70,250
1978/79	835,000	27,137	27,137	15,000	69,274
1979/80	820,000	26,650	26,650	15,000	68,300
1980/81	805,000	26,163	26,163	20,000	72,326
1981/82	785,000	25,512	25,512	20,000	71,024
1982/83	765,000	24,863	24,863	20,000	69,726
1983/84	745,000	24,212	24,212	20,000	68,424
1984/85	725,000	23,563	23,563	20,000	67,126
1985/86	705,000	22,912	22,912	25,000	70,824
1986/87	680,000	22,100	22,100	25,000	69,200
1987/88	655,000	21,288	21,288	25,000	67,576
1988/89	630,000	20,475	20,475	30,000	70,950
1989/90	600,000	19,500	19,500	30,000*	69,000
1990/91	570,000	18,525	18,525	35,000*	72,050
1991/92	535,000	17,387	17,387	35,000*	69,774
1992/93	500,000	16,250	16,250	35,000*	67,500
1993/94	465,000	15,113	15,113	40,000*	70,226
1994/95	425,000	13,812	13,812	40,000*	67,624
1995/96	385,000	12,513	12,513	45,000*	70,026
1996/97	340,000	11,050	11,050	50,000*	72,100
1997/98	290,000	9,425	9,425	50,000*	68,850
1998/99	240,000	7,800	7,800	55,000*	70,600
1999/2000	185,000	6,012	6,012	60,000*	72,024
2000/01	125,000	4,063	4,063	60,000*	68,126
2001/02	65,000	2,112	2,113	65,000*	69,225
		\$418,437	\$473,688	\$850,000	\$1,742,125

* Callable on or after April 1, 1989.



THE PROJECT

Proceeds from the sale of the \$850,000 general obligation bonds will be used for the acquisition of permanent open space areas within and adjacent to the city. The Series A Bonds represent a portion of the \$1,500,000 general obligation bonds authorized for open space acquisition on June 8, 1976 by the voters of Del Mar. The open space areas to be acquired are identified in the city's general plan.

On March 2, 1976, the general plan for the city was accepted by a majority of the city's voters. The overall thrust of this plan is to preserve the present environment and maintain the existing population density within the city. The plan identifies six parcels totaling 149 acres that comprise the open space acquisition and implementation program. Once acquired, these parcels will augment existing open space areas within the city that currently border nearly all of Del Mar. The overall impact of the completed open space program will be to preserve the existing natural character of Del Mar, emphasize the city's village-like atmosphere, and maintain its distinctive coastal identity.

The city council, by resolution, identified several properties to be acquired using the proceeds of the Series A Bonds and limited their consolidated purchase price to \$800,000. One of the properties, referred to as Sea Grove II, consists of .7 acres adjacent to an existing city park and will cost an agreed-upon price of \$245,000. Another parcel, called the Silvergate Property, consists of 2.5 acres of land adjacent to the ocean and will be acquired for the firm price of \$205,000.

A portion of bond proceeds will be used as the city's contribution to acquire open space property jointly with the city of San Diego. This property, known as Crest Canyon, consists of 7 acres located in southeastern Del Mar and an adjacent 120 acres within the city limits of San Diego. The acquisition of the property will be effected through a Joint Powers Agreement between the two cities. It is anticipated that the Del Mar contribution will not exceed \$350,000 and will be applied principally to the 7 acres situated within its city limits.

TABLE 3
DISPOSITION OF BOND PROCEEDS

<i>Items to be Financed</i>	<i>Acres</i>	<i>Cost</i>
Land acquisition		
Sea Grove II	0.7	\$245,000
Silvergate Property	2.5	205,000
Crest Canyon	127.0	350,000*
Contingency		10,000
Legal, financing and incidentals		40,000
Total Bond Issue Requirement		\$850,000

* The contribution of Del Mar to the Joint Powers Authority with the City of San Diego represents approximately 25% of the total anticipated purchase price for Crest Canyon.



*The City of Del Mar,
San Diego, California.
(Photo credit City of Del Mar.)*

CITY ORGANIZATION AND FINANCIAL DATA

The City of Del Mar, originally incorporated as a general law city on July 15, 1959, changed to chartered status in 1960 by a vote of the people. The city operates under the council-manager form of government. The voters of Del Mar elect five council members by popular vote on a non-partisan basis for staggered terms of four years. The council selects the mayor from among its members. The current mayor, Ms. Nancy Hoover, was elected to the council in 1974, and was appointed mayor in March, 1976. Ms. Hoover serves as analyst and sales representative for a brokerage firm. The mayor pro tem, Mr. John H. Weare, a professor of chemistry at the University of California, joined the council at the same time as Ms. Hoover. The remaining membership of the city council includes: Mr. Richard G. Rypinski, attorney, division chief in the State's Department of Transportation; Mr. Hervey L. Sweetwood, management consultant; and Mr. Al Tarkington, certified public accountant. The council enacts all local laws, approves the city budget, appoints city officials, and adopts the city tax rate.

City officials include the city manager, Mr. J. Wayne Dernetz; city attorney, Mr. D. Dwight Worden; city treasurer and finance officer, Ms. Gloria E. Curry; and the city clerk, Ms. Terri Bianco. The city also has an authorized but currently unfilled city engineer position.

The city has 32 full-time employees and provides community services through its planning department, fire department, public works department, life guard department, and city-operated sewer and water systems.

The planning department is responsible for preparing the general plan which was adopted by popular vote on March 8, 1976. The fire department presently is staffed by 10 full-time city employees augmented by 20 reservists. The city has a class 6 fire rating which it hopes to improve after completion of a planned fire station. Police protection for the city is obtained under contract with the San Diego County Sheriff's Office.

Under the terms of the public employees' retirement system of California (P.E.R.S.), the city provides a retirement plan covering all full-time employees. The total city contribution to P.E.R.S. in fiscal year 1975/76 was \$40,902, accompanied by \$28,320 contributed by employees. The percentage of salary to be contributed in 1976/77 by the city will be 13.67% for safety employees and 8.7% for others, and the percentage of salary contributed by employees will be 5.87% – 11.7% for safety categories and 7% for others.

P.E.R.S. is required by state law to undergo a systems evaluation at least every four years. Periodic intervening checks of actuarial assumptions and other aspects of the system are also made. The June 30, 1975 audit of P.E.R.S. by Coopers & Lybrand, Certified Public Accountants, reported an accrued actuarial liability and present value of benefits for active and inactive members totaling approximately \$12.7 billion. Assets available for benefits were placed at about \$6.85 billion leaving an unfunded liability of about \$5.85 billion.

Upon completion of the 1975 systemwide evaluation, actuaries then determined that restoration and maintenance of the system's necessary balances required a three-step annual increase of 1% in the average percentage employer contribution beginning July 1, 1976.

Assessed Valuation

The City of Del Mar utilizes the facilities of San Diego County for the assessment and collection of taxes for city purposes. City taxes are assessed and collected at the same time and on the same tax rolls as are county, school, and special district taxes. Assessed valuations of properties are the same for both city and county taxing purposes. The State Board of Equalization reports that the 1976/77 San Diego County assessed valuation averages 25.1% of market value while the public utility assessed valuation is reported by the State Board of Equalization to average 25% of market value.

The valuation of secured property is established as of March 1 of each year, is subsequently equalized in August, and the first installment of taxes becomes payable the following November. Taxes are due to be received by the San Diego County Tax Collector on or before the delinquency dates of December 10 and April 10 for each installment of the taxes levied. Taxes on unsecured property (personal property and leaseholds) are due on August 31 of each year based on the preceding fiscal year's tax rate.

Under amendments adopted in 1968 to the Constitution and Statutes of the State of California, two types of exemptions of property from ad valorem taxes were authorized beginning in the fiscal year 1969/70. The first of these exempts 50% of the assessed valuation of business inventories from taxation. The second provides for exemption of \$1,750 of the assessed valuation of an owner-occupied dwelling for which application has been made to the county assessor. Revenue estimated

to be lost to local taxing agencies due to such exemptions, however, is reimbursed from state sources. Such reimbursement is based upon total taxes due upon such exempt values and therefore is not reduced by any amount for estimated delinquencies.

Table 4 presents a detailed summary of the city's assessed valuation for the last five years. Excluding the current year, growth increased nearly 50% during the previous four years. A reassessment completed for the current fiscal year resulted in another 50% increase in total assessed valuation. Inasmuch as the reassessment involves a significant increase in individual taxes, the city council announced its intention by Resolution 76-30 adopted May 17, 1976 and amended by Resolution 77-7 adopted on March 21, 1977, not to raise property taxes as a result of this bond issue. However, if revenues in any year were insufficient to meet bond service, the city would be obligated to levy a tax, unlimited as to rate or amount, to meet principal and interest payments.

As a matter of city policy, the city council intends to apply proceeds from a portion of the admissions tax to the racetrack and fairgrounds complex, normally directed to the city's Open Space Fund, to debt service on the open space bonds. The Open Space Fund receives \$.16 per admission to the racetrack. The seasonal attendance at the facility over the last four years has averaged approximately 640,000 persons. These statistics indicate an annual return of over \$100,000 to the Open Space Fund each racing season, which runs for 43 days beginning in late July.

Tax Rates, Levies and Delinquencies

Table 5 lists the city's secured taxes levied, collected, and percentage of delinquencies. The secured delinquencies have averaged 3.8% for the last five years. Prior years' collections have averaged nearly one-half of the current year's delinquencies for the last five years.

TABLE 4
CITY OF DEL MAR
ASSESSED VALUATIONS

<i>Fiscal Year</i>	<i>Local Secured</i>	<i>Utility</i>	<i>Unsecured</i>	<i>Total Assessed Valuation for Revenue Purposes*</i>
1972/73	\$16,757,842	\$ 968,010	\$ 506,814	\$18,232,666
1973/74	22,544,948	921,110	571,968	24,038,026
1974/75	23,726,909	1,035,610	1,225,279	25,987,798
1975/76	24,418,017	1,171,730	1,448,060	27,037,807
1976/77	38,128,694†	1,307,110	1,133,727	40,569,531

* Before Homeowners and Business Exemptions.

† Increase due to reassessment performed by county in fiscal year 1975/76.

Source: San Diego County Auditor-Controller's Office.

TABLE 5
CITY OF DEL MAR
SECURED TAX LEVIES AND DELINQUENCIES

<i>Fiscal Year</i>	<i>Secured Tax Levies*</i>	<i>Taxes Collected*</i>	<i>Delinquencies June 30*</i>		<i>Prior Year's Collection‡</i>
			<i>Amount</i>	<i>Percent</i>	
1971/72	\$171,889	\$170,100	\$ 1,789	1.04%	\$1,863
1972/73	189,688	183,716	5,972	3.15†	2,564
1973/74	242,221	231,845	10,376	4.28†	2,548
1974/75	252,582	238,357	14,225	5.63†	4,761
1975/76	267,683	254,370	13,314	4.97†	5,640
1976/77	404,983	In collection			

* Source: San Diego County Auditor-Controller's Office.

† A major component of the tax delinquencies since 1972 has been the delinquency of the largest single taxable property constituting approximately 1.3% of the assessed value of current secured taxable property in the city. As of the date of this Official Statement, taxes from 1972 to the present have not been paid, and represent up to 42% of the above-shown annual delinquencies.

‡ Source: City of Del Mar Finance Officer.

Table 6 presents the city's tax rate schedule for the past six years and a component breakdown for this year's tax rate. The proportion allocated to individual funds has remained fairly constant throughout this period.

Table 7 presents the city's total tax rate for all taxing entities. The city's only tax code area is listed as Tax Code Area 11001 on the county rolls. The total tax rate decreased nearly 5% from the previous year's rate. The city tax rate comprises 12% of the total tax rate.

TABLE 6
CITY OF DEL MAR
TAX RATES AND TAX RATE
COMPONENTS

TAX RATES	
<i>Fiscal Year</i>	<i>Tax Rate</i>
1971/72	\$1.05
1972/73	1.10
1973/74	1.10
1974/75	1.10
1975/76	1.11
1976/77	1.07
1976/77 TAX RATE COMPONENTS	
<i>Fund</i>	<i>Tax Rate</i>
General Fund	\$.630
Capital Improvement Fund	.190
Trees and Boulevards	.040
Retirement Fund	.155
Sewer Bond (G.O.)	.055
Total	\$1.070

Source: City of Del Mar Finance Officer.

TABLE 7
CITY OF DEL MAR 1976/77
TAX RATES
SAN DIEGO COUNTY TAX
CODE AREA 11001

<i>Taxing Entity</i>	<i>Tax Rate</i>
County general	\$2.242
County debt service	.040
County library	.167
Del Mar City tax	1.070
Elementary school	1.388
High school	1.772
Community college	.723
Other educational purposes	1.246
Special tax districts	.325
Total Tax Rate	\$8.973

Source: San Diego County Auditor-Controller's Office.

Major Taxable Property Owners

Table 8 lists the major taxable property owners in the City of Del Mar based on their 1976/77 assessed valuation. The ten largest taxable property owners constitute from 1.3% to .5% of the total assessed valuation of the city and collectively they constitute approximately 8% of the total assessed valuation.

General Fund Income Statement

Table 9 presents the general fund income statement for the last five years and the approved budget for the current fiscal year. The city operates on the modified accrual method of accounting. The major sources of revenue for the city are property taxes and the admissions tax levied against patrons of the race track and fairgrounds complex. The item of greatest expense is public safety, which includes police and fire protection, and a lifeguard contingent serving the two-mile public beach in Del Mar.

TABLE 8
CITY OF DEL MAR
1976/77 MAJOR TAXABLE PROPERTY OWNERS

<i>Property Owner</i>	<i>Assessed Valuation for Revenue Purposes</i>
Mission Investment Trust	\$ 518,750
Mosier, Martin H. III, Jr., Mosier, Patricia, J. P., Jr.	507,075
Home Business Development Corporation	473,825
Beach Colony I	448,050
Gregg, Alice L.	287,500
Wright, McKellar & Wyer	250,000
Good, Lorens H. and Genevra M.	230,406
Del Mar & Associates	222,275
Demangus, Robert X. and Mary C.	193,500
Naftzer, Roy E. Jr.	173,000
Total	\$3,304,381

Source: San Diego County Auditor-Controller's Office.

TABLE 9
CITY OF DEL MAR
GENERAL FUND INCOME STATEMENT*

	1971/72†	1972/73†	1973/74†	1974/75†	1975/76†	Approved 1976/77‡
REVENUES						
Sales and use taxes	\$ 95,109	\$101,835	\$ 98,389	\$113,338	\$117,865	\$131,775
Property taxes	146,166	152,624	202,299	216,194	193,652¶	331,621
Cigarette taxes	15,588	14,870	14,859	14,386	16,167	16,800
Admissions taxes	65,100	69,513	79,771	80,915	152,095	155,136
Property transfers	4,481	7,310	7,068	4,382	7,629	6,900
Other taxes	—	—	—	20,689	26,821	26,800
Licenses and permits	65,607	67,119	73,074	92,144	92,333	99,000
Current services	17,464	20,402	16,812	15,734	20,350	38,256
Franchises	10,820	11,442	13,444	15,229	19,624	19,000
Court fines	2,180	3,972	2,504	2,298	2,692	3,000
Interest	4,719	8,559	19,500	11,936	7,874	8,000
Federal revenue sharing	—	26,636	25,031	27,231	23,931	17,589
Rents and concessions	—	—	2,940	2,980	3,000	2,940
Sundry	—	—	304	1,789	6,101	1,450
Other	47,574	17,897	541	—	12,000	—
Interfund transfers	—	—	15,000	198,821§	84,271	2,600
Total Revenues	\$474,808	\$502,179	\$571,536	\$818,066	\$786,405	\$860,867
EXPENDITURES AND ENCUMBRANCES						
General government	\$ 77,295	\$104,977	\$145,365	\$133,249	\$173,121	\$170,169
Planning department	8,763	27,239	34,819	55,140	47,924	50,201
Public safety	200,165	205,205	254,420	272,005	337,635	384,964
Public works	45,121	55,692	32,781	54,333	49,485	56,529
Beach and recreation	41,302	47,320	58,557	63,028	67,350	76,165
Federal revenue sharing	—	—	—	34,882	—	5,444
Capital improvements reserve	—	—	—	145,325	15,000	12,000
Interfund transfers	80,763	65,801	75,871	78,570	71,539	80,919
Total Expenditures	\$453,409	\$506,234	\$601,813	\$836,532	\$762,054	\$836,391
CHANGES IN FUND BALANCE						
Balance brought forward	\$ 26,043	\$ 47,442	\$ 43,387	\$ 13,110	\$ (5,079)	\$ 19,556
Revenues	474,808	502,179	571,536	818,066	786,405	860,867
Expenditures	(453,409)	(506,234)	(601,813)	(836,532)	(762,054)	(836,391)
Adjustments	—	—	—	277	284	—
Ending Fund Balance	\$ 47,442	\$ 43,387	\$ 13,110	\$ (5,079)	\$ 19,556	\$ 44,032
RESERVES						
Capital Improvement Balance	77,649	87,514	94,753	7,577	29,358	78,041
Federal Revenue Sharing Balance	—	26,636	39,433	31,782	(2,731)	—
Total General Fund and Reserves Balance	\$125,091	\$157,537	\$147,296	\$ 34,280	\$ 46,183	\$122,073

* Table 9 verified by Finance Officer and city's auditors.

† Source: From annual audits of the city's financial statements prepared by Carroll & Brantley, Associates, Certified Public Accountants.

‡ Source: City of Del Mar 1976/77 Budget.

§ Transient Occupancy Tax transferred from Special Funds category to General Fund beginning fiscal year 1974/75. The Interfund Transfer value includes \$17,150 Transient Occupancy Taxes.

¶ 1975/76 property taxes were reduced approximately \$20,000 resulting from an action settled in favor of Servomation, Inc. for 1974/75 unsecured taxes.

Special Funds Income Statement

Table 10 summarizes the revenues and expenses for the city's special funds. Beginning in fiscal year 1974/75 the transient occupancy tax was

applied to the general fund and was eliminated from the special funds category. Revenue sources for all special funds are identified by title with the exception of the Flood Control and Drainage Fund. Revenues for this fund were derived from a \$.10

per \$100 assessed valuation tax last levied in fiscal year 1970/71. Since that time, revenues have consisted of interest earned and citizen contributions.

TABLE 10
CITY OF DEL MAR
SPECIAL FUNDS INCOME STATEMENT*

	1971/72†	1972/73†	1973/74†	1974/75†	1975/76‡	Approved 1976/77‡
REVENUES						
Surplus brought forward	\$132,891	\$163,880	\$176,090	\$194,726	\$217,715	\$279,633
Gas tax	46,985	52,417	56,957	60,095	58,726	58,700
Traffic safety fines	13,983	13,026	12,889	18,160	9,969	11,175
Transient occupancy tax	13,431	18,588	20,705	—	—	—
Retirement tax	25,575	28,871	35,263	39,711	47,908	62,053
Trees and boulevards tax	8,657	9,085	6,388	10,813	9,525	15,988
Flood control and drainage	2,147	1,345	8,555	1,113	408	100
CETA§	21,119	37,487	7,462	40,517	64,335	34,944
Open space admissions tax	—	—	—	14,034	54,058	51,932
Total Surplus and Revenue	\$264,788	\$324,699	\$324,309	\$379,169	\$462,644	\$514,525
EXPENDITURES						
Gas tax	\$ 23,191	\$ 31,125	\$ 22,275	\$ 38,545	\$ 18,181	\$ 58,500
Traffic safety	14,640	12,887	14,433	5,616	19,321	21,650
Transient occupancy tax¶	6,396	20,841	20,648	17,150	—	—
Retirement	26,532	28,927	37,149	42,071	51,922	60,542
Trees and boulevards	6,455	8,500	8,911	12,532	9,131	12,450
Flood control and drainage	2,575	9,916	17,631	4,099	1,346	4,200
CETA	21,119	36,413	8,536	41,441	63,653	34,944
Open space	—	—	—	—	19,457	35,422
Total Expenditures	\$100,908	\$148,609	\$129,583	\$161,454	\$183,011	\$227,708
FUND BALANCES						
Gas tax	\$108,175	\$129,467	\$164,149	\$185,699	\$226,244	\$226,444
Traffic safety	(1,510)	(1,371)	(2,915)	9,629	277	(10,198)
Transient occupancy tax	19,346	17,093	17,150	—	—	—
Retirement tax	4,375	4,319	2,433	73	(3,941)	(2,430)
Trees and boulevards tax	4,054	4,639	2,116	397	791	4,329
Flood control and drainage tax	29,440	20,869	11,793	8,807	7,869	3,769
CETA	—	1,074	—	(924)	(242)	(242)
Open space admissions tax	—	—	—	14,034	48,635	65,145
Ending Funds Balance	\$163,880	\$176,090	\$194,726	\$217,715	\$279,633	\$286,817

* Table 10 verified by Finance Officer and city's auditors.

† Source: From annual audits of the city's financial statements prepared by Carroll & Brantley, Associates, Certified Public Accountants.

‡ Source: City of Del Mar 1976/77 Budget.

§ Federal Manpower Program.

¶ Transient occupancy tax transferred to General Fund beginning fiscal year 1974/75. Expenses have included Chamber of Commerce support, other promotions, and capital improvements.

Utility Funds Income Statement

Table 11 lists the utility funds of the city, made up of water and sewer components. The combined funds have maintained an operating surplus for the last five years. The city has maintained water and sewer rates to keep pace with a projected 6% inflation rate. Since the last rate increase of December 1973, however, inflation and operating expenses have exceeded 6%. The city council is currently considering a rate increase for both utilities to meet anticipated demands. Implementation is expected before the end of the current fiscal year.

Water for the city is purchased from the Metropolitan Water District of Southern California and transported through the City of San Diego for filtration by the County Water Authority before delivery to Del Mar. The water currently retailed by the city is solely from the Colorado River. Future sources may include Northern California water.

City sewage is collected and transported by pipeline for treatment to the San Diego Metropolitan Sewer District. The facilities necessary to connect the city to the metropolitan system were in operation in 1975. Prior to that time, the city owned and operated its own collection and treatment system, which discharged effluent into the San Dieguito Lagoon.

Balance Sheet

Table 12 presents the balance sheet for all city funds for the last fiscal year. Fund balances for the General and Special Revenue Funds are derived in Tables 9 and 10. Revenue for the Civic Center Construction Fund was principally obtained from the Sewer Surplus Fund in fiscal year 1974/75 to acquire land intended as the site for the civic center. Current plans for the civic center include council chambers, meeting rooms, and county library facilities. Financing for the civic center will be obtained from bond proceeds issued by a Joint Powers Authority with the city and county as members. The city would lease the facility from the authority in an amount sufficient to pay debt service on the bonds. A principal amount ranging between \$600,000 and \$800,000 is expected to be issued in fiscal year 1977/78. A portion of bond proceeds would be used to reimburse the Sewer Surplus Fund.



The San Diego County Fairgrounds are situated adjacent to the racetrack and host a number of annual events, including the Southern California Exposition. A portion of revenues received by the city from the admissions tax to the fairgrounds and racetrack will be used to pay debt service on the bonds. (Photo credit 22nd Agricultural District.)

TABLE 11
CITY OF DEL MAR
UTILITY FUNDS INCOME STATEMENT*
(Water and Sewer Combined)

	1971/72†	1972/73†	1973/74†	1974/75†	1975/76†	Approved 1976/77‡
OPERATING REVENUES						
Metered water sales	\$165,395	\$167,781	\$210,161	\$238,506	\$253,116	\$260,600
Sewer charges	52,134	133,196	151,806	158,177	162,790	165,830
Sewer inclusion fees	4,600	12,600	7,900	6,600	5,400	5,000
Customer penalties	360	494	911	1,687	1,089	934
Miscellaneous	673	550	1,593	473	1,903	200
Property taxes	—	8,402	21,775	16,602	14,369	22,007
Total Operating Revenues	\$223,162	\$323,023	\$394,146	\$422,045	\$438,667	\$454,571
OPERATING EXPENSES						
Purchased water	\$ 46,467	\$ 45,289	\$ 53,381	\$ 48,233	\$ 65,358	\$ 64,000
Production	17,193	25,476	26,756	27,565	26,256	30,413
Collection	16,027	18,299	24,414	62,523	80,009	95,926
Depreciation	29,157	30,002	33,005	40,374	42,031	— §
Distribution	22,944	25,163	27,214	28,488	29,891	53,321
Treatment	20,312	22,582	22,667	32,595	23,384	28,653
Accounting	17,648	19,380	25,158	24,040	30,284	31,746
General and administrative	23,466	27,843	38,959	42,808	48,387	74,828
Total Operating Expenses	\$193,214	\$214,034	\$251,554	\$306,626	\$345,600	\$378,887¶
RETAINED EARNINGS						
Balance brought forward	\$ 87,390	\$ 88,512	\$163,444	\$294,464	\$407,809	\$476,036
Operating revenues	223,162	323,023	394,146	422,045	438,667	454,571
Interest earned	12,981	29,780	46,601	54,524	29,686	13,900
Operating expenses	(193,214)	(214,034)	(251,554)	(306,626)	(345,600)	(378,887)
Amortized bond discount	(724)	(684)	(651)	(620)	(574)	(555)
Bond interest	(40,835)	(56,279)	(55,230)	(53,478)	(51,452)	(49,201)
Bond retirement transfer	(248)	(6,874)	(2,292)	(2,500)	(2,500)	— #
Retained Earnings	\$ 88,512	\$163,444	\$294,464	\$407,809	\$476,036	\$515,864

* Table 11 verified by Finance Officer and city's auditors.

† Source: From annual audits of the city's financial statements prepared by Carroll & Brantley, Associates, Certified Public Accountants.

‡ Source: City of Del Mar 1976/77 Budget.

§ Depreciation calculated at the end of the fiscal year. City Financial Officer estimates 1976/77 depreciation at \$44,000.

¶ Estimates prepared by the city's finance officer.

Adjustment computed by city's public auditor at end of fiscal year.

TABLE 12
CITY OF DEL MAR
1975/76 BALANCE SHEET – ALL FUNDS*

	<i>General Fund</i>	<i>Special Revenue Funds</i>	<i>Utility Funds</i>	<i>Bonded Debt</i>	<i>Civic Center Construction Fund</i>
ASSETS					
Cash in treasury	\$ 44,119	\$ (1,423)	\$ 23,642		\$ (16,165)
Investments†	200,074	293,600	457,000		
Revolving cash	200		145		
Accounts receivable	6,139	5,469	60,324		
Taxes receivable	2,843	842			
Due from other funds		934	142,296		
Inventory materials and supplies			14,272		
Utility plant (net of depreciation)			1,317,741		
Construction			909,632		20,091
Unamortized bond discount			5,112		
Amounts to be provided for bonds payable and future bond sales				475,000	132,000¶
Total	\$253,375	\$299,422	\$2,930,164	\$475,000‡	\$135,926
LIABILITIES, RESERVES, ENDING BALANCES					
Accounts payable	\$ 23,426	\$	\$ 268,458	\$	\$
Accrued interest			19,298		
Advances from municipality			475,000		
Customers' deposits			14,254		
Revenue bonds payable			640,000§		
General obligation bonds payable				475,000	
Deferred revenue	1,200				
Due to other funds	6,087		5,143		132,000¶
Reserves					
Current encumbrances	171,922	18,947			3,926
Prior encumbrances	159				
Taxes	2,843	842			
Debt service			84,414		
Revenue sharing	(2,731)				
Capital improvements	29,358				
Specified contributions	1,555				
Contribution in aid of construction			947,561		
Fund balances	19,556	279,633			
Retained earnings			476,036		
Total	\$253,375	\$299,422	\$2,930,164	\$475,000	\$135,926

* Table 12 verified by Finance Officer and city's auditors.

† All investments were in certificates of deposit and savings accounts.

‡ An additional \$20,000 of General Obligation sewer bonds were retired on January 15, 1977.

§ An additional \$25,000 of the Revenue bonds were retired on December 15, 1976.

¶ To be financed through a Joint Powers Agreement with the City of San Diego with an estimated annual lease payment from Del Mar of \$30,000 per year for 20-25 years beginning in fiscal year 1977/78.

Source: From the 1975/76 annual audit of the city's financial statements prepared by Carroll & Brantley, Associates, Certified Public Accountants.

Direct and Overlapping Bonded Debt

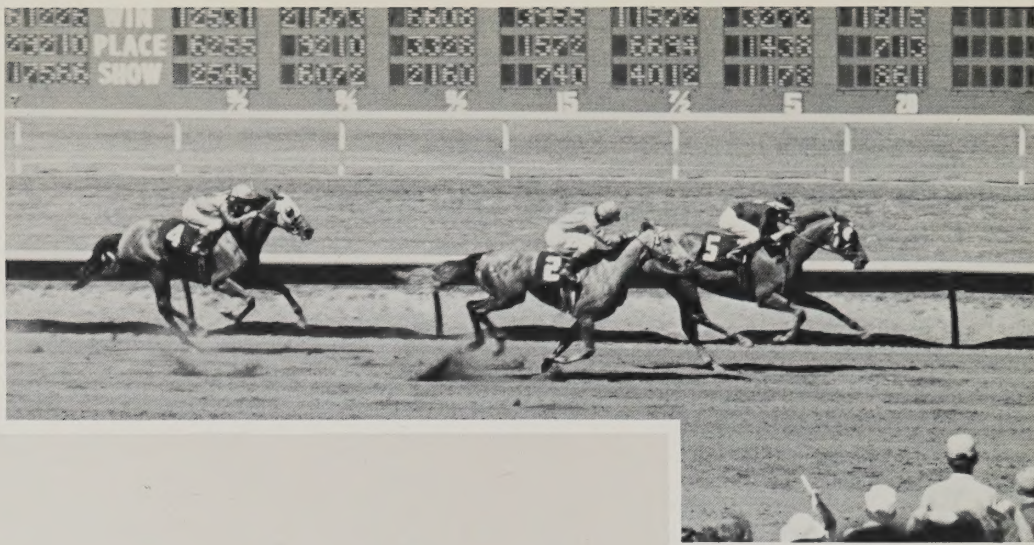
A statement of direct and overlapping bonded indebtedness applicable to the city is presented in Table 13. In 1970 the voters of Del Mar authorized the issuance of \$1,700,000 general obligation sewer bonds. In 1972, \$530,000 Series A Sewer Bonds were sold to finance the connection of the city's sewer system to the San Diego Metropolitan System. Of this amount, \$455,000 is currently outstanding and is in part being financed by a \$.055 city tax levy and in part by sewer operating revenues. No plans have been made at this time for the disposition of the remaining authorized \$1,170,000 of general obligation sewer bond funds.

In 1965 the city issued \$570,000 principal amount of water revenue bonds and \$175,000 of sewer revenue bonds. These obligations are secured by and payable solely from revenues of the water and sewer enterprises, respectively. As of this date, \$490,000 of the water revenue bonds and \$125,000 of the sewer revenue bonds are outstanding.

TABLE 13
CITY ESTIMATED OVERLAPPING BONDED DEBT*

1976 Population	4,880	
1976/77 Assessed Valuation	\$40,569,531†	
Estimated Market Value	\$161,650,000‡	
Entity	Percent Applicable	Debt Applicable April 12, 1977
San Diego County	0.633%	\$ 24,276§
San Diego Building Authorities	0.633	173,094
San Diego County Water Authority	0.677	354,444
Metropolitan Water District of Southern California	0.090	482,616
Oceanside-Carlsbad Community College District	5.812	87,180
San Dieguito Union High School District	10.116-10.464	867,503
Del Mar Union School District (Various Issues)	49.959-46.006	722,517
City of Del Mar	100.	1,305,000¶
Total Direct and Overlapping Debt		\$4,016,630
	Ratio to	
	Assessed Valuation	Estimated Market Value
Assessed Valuation	—	—
Direct Bonded Debt	3.22%	.81%
Direct and Overlapping Bonded Debt	9.90	2.48
Share of Authorized and Unsold Bonds:		
City of Del Mar	\$1,820,000 #	
Metropolitan Water District	328,500	

* Compiled by California Municipal Statistics, Inc.
† Before homeowners and business inventory exemptions.
‡ The State Board of Equalization reports that the 1976/77 San Diego County assessed valuation averages 25.1% of market value, with public utilities assessed at 25% of market value.
§ Excludes share of \$6,070,000 San Diego County lease-purchase obligations (\$38,426).
¶ Includes \$850,000 Open Space Bonds to be sold April 12, 1977; excludes \$490,000 water revenue bonds and \$125,000 sewer revenue bonds.
Includes \$1,170,000 Sewer General Obligation Bonds. The city currently has no plans to issue these bonds. Includes remaining \$650,000 1977 Del Mar Open Space Bonds.



Above: Revenues from admission taxes at the racetrack and fairgrounds complex in Del Mar will be used by the city to pay debt service on the Open Space Bonds. The city expects to receive over \$250,000 from this source of which over \$100,000 will be directed to the Open Space Fund.

Left: Del Mar is well known for its scenic beaches. The city contains approximately 2 1/2 miles of oceanfront property of which 2 miles are public beaches. The public beaches are guarded by the city's lifeguard contingent.

Below: The Commercial facilities in Del Mar emphasize the city's village-like atmosphere. Although the city is basically residential in character, sales and use taxes constitute approximately 15% of total city revenues compared to 30% for property taxes.

(Photos credit Del Mar News Press.)



THE CITY AND VICINITY

The City of Del Mar is a residential community located on the Pacific coastline 20 miles north of central San Diego and 105 miles south of Los Angeles. Del Mar is bounded by beach for about two and one-half miles, extends inland one mile at its widest point, and contains 1,070 acres. Originally settled in the early 1800's for ranching purposes, the area has gradually given way to residential development because of its exceptionally attractive climate, location, and scenic surroundings. This city has been noted for its village-like atmosphere.

Local residents successfully campaigned in the mid-1960's against locating a major freeway along the coastline, resulting in the construction of Interstate 5 inland and outside of the city limits. The resultant decrease in traffic affected some businesses adversely, but the overall effect has been to strengthen a locally-oriented business community. Today, Del Mar may be described as a quiet village that has sought to maintain its identity through careful planning and open space acquisition. The city offers unusual recreational opportunities to its residents and visitors throughout the year.

Population Characteristics

Table 14 presents the population history of the city since its incorporation. Population growth in the city has exceeded 50% in the last 15 years, nearly proportional to that of the county. Pressures for continued growth in Del Mar are high. The new freeway junction of Interstates 5 and 805, continued expansion of the University of California five miles to the south, new businesses which have located in Sorrento Valley and Torrey Pine Industrial Parks, and urbanization in the northernmost part of the City of San Diego, are expected to catalyze growth both in and near Del Mar. The City of Del Mar planning department projects another 23% increase in the city's population over the next 15 years.

According to statistics developed by the San Diego County Integrated Planning Office during the 1975 Special Census, the median income of households within Del Mar averaged \$14,607, compared to \$10,982 for the county. These higher earnings ratios are complemented by a high level of educational attainment by Del Mar residents. Of those responding to the 1975 Special Census, nearly 60% are college graduates with nearly 60% of that number having received some post college training.

TABLE 14
POPULATION STATISTICS

<i>April 1</i>	<i>City of Del Mar</i>	<i>County of San Diego</i>
1950	Not Incorporated	556,808
1960	3,124	1,033,011
1970	3,956	1,357,854
1976*	4,880	1,590,700
1990	6,000†	2,216,400‡

* As of January 1, 1976. Estimated by the California Department of Finance.

† Estimated by the Del Mar Planning Department.

‡ Estimated by the Comprehensive Planning Organization of the San Diego Region.

Source: State of California, Population Research Division.

Employment

Del Mar is essentially a residential community offering few employment opportunities within the city limits.

Employment in Del Mar consists chiefly of commercial establishments serving local residents and tourists and the fairgrounds complex located in the northern part of the city.

Employment at the Thoroughbred Club and the San Diego County Fairgrounds is seasonal, ranging up to 500 at the fairgrounds and 2,000 at the racetrack. Income of Del Mar residents, however, comes principally from employment outside the community.

Del Mar is situated within easy commute distance to four industrial areas. Sorrento Valley Industrial Park is essentially a light manufacturing center for electrical machinery and ceramics and contains several hundred firms offering a total of approximately 4,000 jobs. Located just three miles south of the city, Sorrento Valley has 14 manufacturers with 100 or more employees. Torrey Pines Industrial Park is located four miles south of Del Mar, offers employment to approximately 3,000 persons, and is expanding rapidly. Major occupants include General Atomic Company and Scripps Research Division. Future tenants include a life insurance company and a subsidiary of Eastman Kodak.

TABLE 15
MAJOR EMPLOYERS, 1977
SAN DIEGO COUNTY

<i>Firm</i>	<i>Product or Service</i>
Employee Range 5,000 - 9,999	
Convair, a Division of General Dynamics	Aerospace parts
National Steel & Shipbuilding Co.	Shipbuilding and repairing
Pacific Telephone	Telephone service
Rohr Corporation	Aerospace parts
Employee Range 3,000 - 4,999	
Food Maker, Inc., Ralston Purina	Convenience foods
San Diego Gas & Electric Co.	Gas and electric service
Employee Range 2,000 - 2,999	
Fed Mart Corporation	Department stores
General Atomic Company	Nuclear power plants
Pacific Southwest Airlines	Air transportation
Ratner Clothing	Clothing manufacturer
Sears, Roebuck & Company	Department store
Solar, International Harvester	Gas turbines
Employee Range 1,000 - 1,999	
Atlas Hotels, Inc.	Hotels and motels
Bank of America, N. T. & S. A.	Banking
Broadway Department Stores	Department stores
Bechtel Power	Construction
California First Bank	Banking
Campbell Industries	Ship and boat construction
Consolidated Facilities Services	Janitorial services
Food Basket, Lucky Stores	Convenience foods
General Dynamics, Electronics Division	Aerospace parts
The May Company	Department stores
Mercy Hospital and Medical Center	Hospitals
Montgomery Ward & Company	Department stores
National Cash Register Co., Electronics Division	Computing equipment
J. C. Penney Company Stores	Department stores
Safeway Stores, Inc.	Grocery stores
Servomation Duchess Inc.	Vending machines
Sony Corporation	Electronics
Teledyne Ryan Aeronautical Co.	Aerospace parts
Union-Tribune Publishing Company	Newspaper publishers
Van Camp Sea Food Corp., Ralston Purina	Food processing
Walker Scott Corporation	Department stores

Source: Economic Research Bureau, San Diego Chamber of Commerce.

Miramar Road Industrial Park is mainly a distribution center located about five miles southeast of Del Mar. Major employers located there include PSA and Fed Mart. In 1975, about 500 of the 1,600 persons employed in this area were involved in the wholesale trade.

The major industrial area in the county is located just ten miles southeast of Del Mar and is connected via the recently completed Interstate 805. Kearny Mesa Industrial Area has industry employing over 26,000 persons. Major employers with 1,000 or more employees include Solar, a division of International Harvester; Convair, a division of General Dynamics; Teledyne Ryan Aeronautical Company; Food Maker, Inc., a division of Ralston Purina; and Electrodynamics, a division of General Dynamics.

Other nearby employers include the University of California at San Diego with several thousand employees and the Miramar Naval Air Station with approximately 3,000 employees. Both are located about five miles from Del Mar.

Table 15 presents the major employers of the county as compiled by the San Diego Chamber of Commerce for 1977. All employers are within commute distance from Del Mar. Table 16 lists employment by category for the region.

Wholesale and retail trade, services, and government categories share approximately equal proportions of the labor market at 23%, 21%, and 26% respectively. The State reports an adjusted unemployment rate of 11.9% for the county for 1976. Statistics developed by the San Diego County Department of Education from the April 1975 Special Census show that Del Mar had a total civilian labor force of 2,210 persons with 217 unemployed or an unemployment rate of 9.8% compared with a county rate of 9.2% for the same period.



Del Mar serves as one of four Amtrak System railway stations between San Diego and Los Angeles. (Photo credit Del Mar News Press.)

TABLE 16
SAN DIEGO COUNTY, 1976
NONAGRICULTURAL EMPLOYMENT BY INDUSTRY

<i>Industry</i>	<i>Employment</i>
Mining	800
Constructon	26,500
Manufacturing	72,100
Transportation, Communication, and Utilities	22,900
Wholesale and Retail Trade	114,500
Finance, Insurance, Real Estate	26,200
Services	101,500
Government	129,100
Total	493,600

Building Activity

The predominantly single-family character of the community changed between the late 1960's and 1974 when multi-family construction permits out-paced single-family unit construction. The proportion of the multiple residential units, which stood at 32% of the total dwelling units in the community in 1968, rose to about 50% by 1974. Table 17 presents all building activity trends for the city for the last five years. Construction activity has declined as the maximum desired growth level in the city has been approached.

Community Services

Del Mar maintains its own fire department currently staffed by 10 full-time employees plus reserves and contracts for law enforcement services with the San Diego County Sheriff's Office.

A variety of health care facilities in the vicinity serve city residents. Primary facilities include both doctors' offices and clinics located in Del Mar and the unincorporated area of Solana Beach to the north. In-patient health care is available to Del Mar residents from Scripps Memorial Hospital and the Scripps Clinic and Research Foundation offering a total of 521 beds located four and one-half miles away. Twelve miles from Del Mar are the Sharp Memorial Community Hospital with 435 beds, Children's Hospital with 90 beds, and Mesa Vista Hospital with 110 beds.

The existing Del Mar Library is a branch of the County Library system and provides over 15,000 volumes to city residents. A change in the library's location is being considered at this time to the city civic center site.

TABLE 17
CITY OF DEL MAR
NEW CONSTRUCTION VALUATIONS

	1971	1972	1973	1974	1975	1976
Single family	\$ 292,000	\$ 915,000	\$ 577,000	\$ 488,000	\$ 777,000	\$1,034,000
Multi-family	3,512,000	3,634,000	1,068,000	515,000	66,000	55,000
Other residential	118,000	125,000	190,000	152,000	256,000	299,000
Residential Totals	\$3,922,000	\$4,674,000	\$1,835,000	\$1,155,000	\$1,099,000	\$1,388,000
Commercial	\$ 15,000	\$ 549,000	\$ 113,000	\$ 140,000	\$ 303,000	\$ 623,000
Industrial	—	—	—	65,000	—	—
Other commercial and industrial	123,000	146,000	56,000	129,000	29,000	165,000
Commercial and Industrial Totals	\$ 138,000	\$ 695,000	\$ 169,000	\$ 334,000	\$ 332,000	\$ 788,000
Total Valuations	\$4,060,000	\$5,369,000	\$2,004,000	\$1,489,000	\$1,431,000	\$2,176,000
NUMBER OF DWELLING UNITS						
Single family	9	25	17	14	16	20
Multi-family	241	203	56	28	2	2
Total Dwelling Units	250	228	73	42	18	22

Source: "California Construction Trends", Security Pacific Bank. Statistics for December 1976 provided by Comprehensive Planning Organization of the San Diego Region.

Commercial Activity

The most outstanding characteristic of Del Mar's economy is the seasonal variation in retail sales due to the tourist trade. About 40% of the city's volume of taxable retail sales can be attributed to the influx of tourists attracted to the local beaches, the Southern California Exposition, and the Del Mar racetrack. This activity mainly occurs in the first quarter of the fiscal year.

Commercial activity in the city over the last five reporting years has shown nearly a 30% increase. Table 18 presents the commercial activity totals for the city. During this period, the total transactions of the city amounted to less than one-half of one percent of those of the county's.

Educational Facilities

The Del Mar Union School District operates three elementary schools serving over 1,000 students. About one-third of the total are Del Mar residents. Three nearby private elementary schools are attended by over 100 Del Mar pupils. The San Dieguito Union High School District operates two junior high and two high schools. Del Mar students attend Earl Warren Junior High School and the recently completed Torrey Pines High School, located east of Interstate 5. Since Del Mar is located in the Oceanside-Carlsbad Community College District, local residents are entitled to instruction at any of the five community colleges in San Diego County.

TABLE 18
CITY OF DEL MAR
TAXABLE TRANSACTIONS AND NUMBER OF SALES TAX PERMITS

	<i>Retail Stores</i>	<i>Total Outlets</i>
1971		
Value	\$4,884,000	\$ 8,321,000
Number	45	105
1972		
Value	\$6,653,000	\$ 8,824,000
Number	52	121
1973		
Value	\$7,039,000	\$ 9,143,000
Number	70	125
1974		
Value	\$7,930,000	\$ 9,998,000
Number	78	150
1975		
Value	\$8,101,000	\$10,726,000
Number	86	190

Source: State Board of Equalization annual summaries of *Trade Outlets and Taxable Sales in California*.

Transportation

Public transportation in Del Mar consists primarily of bus service and Amtrak rail service. The Atchison, Topeka and Santa Fe passenger trains are under contract with the Amtrak System and Del Mar serves as one of four stations between San Diego and Los Angeles. The Greyhound Bus Lines provides frequent daily direct bus service to San Diego and Los Angeles. Del Mar serves as the transfer point for local public bus service between Oceanside to the north and downtown San Diego to the south.

State Highway 21 connects Del Mar with nearby seaside communities including Solana Beach, Cardiff-By-The-Sea, and Encinitas. The principal north-south artery of California, Interstate 5, passes the city about a mile to the east. This freeway, stretching the length of California via Los Angeles and the Central Valley, provides ready access to all points in the state. Interstate 805, which connects to Interstate 5 about four miles south of Del Mar, passes through the eastern outskirts of the city of San Diego and provides a direct link to the Mexican border.

Excellent airline passenger and cargo transportation services are available at San Diego International Airport, located 18 miles south by freeway. About 12 miles north of the city is Palomar Airport, a general-purpose field with a 4,700 foot runway. Facilities for water borne shipping are available at the modern and well-equipped Port of San Diego.

Utilities

Electricity and natural gas are supplied by the San Diego Gas and Electric Company. Pacific Telephone Company provides telephone service to Del Mar.

Del Mar purchases and distributes water from the San Diego County Water Authority, which is supplied by the Metropolitan Water District. The city also operates a sewer system which transports the city's sewage to a connection point with the San Diego Metropolitan sewage treatment plant.

Recreation

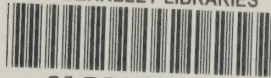
Del Mar's reputation as an excellent recreational center is based on its proximity to a number of famous golf courses and a two and a half mile coastline within the city limits that offers a two-mile public beach which is supervised by the city's lifeguard contingent. Torrey Pines State Park is immediately south of the city limits offering a championship golf course, site of the San Diego Open, and a Science Park.

Del Mar racetrack offers thoroughbred racing in the late summer each year. The adjacent County Fairgrounds hosts a number of annual events, including the Southern California Exposition.

Intercollegiate athletic events are held at the nearby campus of the University of California. The University also sponsors cultural activities, including concerts, lectures, and stage productions that are open to the public.

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